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**WTO SETS FEBRUARY 5, 1998 FOR ENTRY INTO FORCE DATE
OF GLOBAL TELECOMMUNICATIONS AGREEMENT**

WTO Members decided in Geneva today that commitments under their global telecommunications agreement, reached almost one year ago, would formally enter into force on February 5, 1998. This is the final step necessary to lock in commitments to open global markets in this \$675 billion industry.

Ambassador Barshefsky announced that the United States had joined other WTO members in agreeing to the date of entry-into-force in recognition of the benefits it has already created and will further secure for U.S. firms abroad and U.S. consumers at home.

AThe WTO basic telecommunications agreement, reached last February 15, has had a profound effect on telecom markets around the world even before we formally agreed on entry-into-force,” Ambassador Barshefsky said. AIn the last six months, licensing and deregulatory activity has picked up in markets around the world, such as Japan, the European Union and Brazil. U.S.-affiliated telecom firms are competitively positioned globally to expand the reach of telecommunications systems and gain new business opportunities. The agreement’s entry into force assures more open and competitive global markets and expanded opportunities for U.S. firms. U.S. consumers will also reap benefits as greater competition brings about lower prices and more advanced service availability in the months and years to come.@

The entry into force of the WTO Basic Telecom Agreement was scheduled to be January 1, 1998, provided that each of the seventy WTO members which are parties to the agreement had formally accepted the agreement by November 30, 1997 on the basis of necessary ratification procedures. The seventy parties to the agreement include sixty-nine distinct territorial entities, of which fifteen are E.U. Member States, and the E.U. Presidency at the time (Luxembourg), on behalf of the European Communities. Entry-into-force was delayed when twenty of the parties missed the original deadline for accepting the agreement. The number of late acceptances now has declined to thirteen.

AThe WTO members that have accepted the agreement represent over 90% of WTO member telecom revenue. Those parties to the agreement whose acceptances are overdue represent 4% of the market,” Ambassador Barshefsky said. AHowever, it is essential that all the parties to the agreement give their acceptances and formally obligate themselves, and we are following up with them to assure that result. Therefore, we have secured the cooperation of countries who have not accepted the Agreement that they intend fully to ratify and meet the terms of the agreement, after the completion of legislative and other formalities. WTO Members have decided to give them until July 31, 1998 to make necessary legal and procedural changes. In the meantime, the number of countries that wish to be associated with this landmark agreement is increasing, with the addition of two more sets of commitments (Cyprus and Barbados) over the last month. In addition, Romania last week adopted necessary legislation to ratify the agreement, and should be signing it shortly.@